



AUDIT REPORT: SPECIAL INVESTIGATION AT IOWA STATE UNIVERSITY

Audit Report. The Auditor of State has released a report of a special investigation of the Center for Agricultural Law and Taxation (CALT) at Iowa State University (ISU) for the period of April 1, 2009, through December 15, 2015. The investigation was requested by ISU officials because of concerns regarding former CALT Director Roger McEowen, who was placed on paid administrative leave December 16, 2015. Mr. McEowen was employed by the University from August 15, 2004, until his resignation on January 5, 2016.

While Director of CALT, Mr. McEowen also owned and operated a business providing services virtually the same as those provided by CALT. He disclosed his personal business (McEowen, PLC) in forms filed annually with the University, but the forms did not make clear the similarity in services. Although there was a notation made by ISU staff on the 2011 form indicating that follow-up was needed, it appears no follow-up took place. As a result of the conflict of interest between his role as Director of CALT and his personal business, Mr. McEowen received collections that should have been deposited to CALT.

Investigation Results. The investigation identified a total of \$325,000 of diverted collections and improper and unsupported disbursements as follows:

- Diverted collections totaling \$280,000 received and deposited to Mr. McEowen's personal or business accounts:
 - \$278,000 for speaking at seminars without reporting any vacation time from CALT and for which he used CALT materials.
 - \$2,000 for speaking at CALT sponsored seminars.
 - \$290 from the sale of Mr. McEowen's textbook to students he taught at ISU.
- Improper disbursements totaling \$44,000 for:
 - excess vacation costs and an improper vacation payout.
 - payments for days when Mr. McEowen did not take vacation but attended conferences or seminars as a presenter, although not a representative of CALT.
 - travel expenses reimbursed by the University.
- Unsupported disbursements of \$1,000, including travel reimbursements to Mr. McEowen.

Recommendations. The report includes a recommendation for the University to strengthen internal controls and overall operations by taking an active role in confirming and evaluating potential conflicts of interest and commitment reported by employees.

More Information. The report has been filed with ISU, the Board of Regents, the Division of Criminal Investigation, the Story County Attorney's Office, and the Office of the Attorney General. The [full report](#) is available on the Auditor of State's website.

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